



(Notary Public Signature)

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D) .....	1,019,995		1,019,995	1,005,792
2.	Stocks (Schedule D)				
2.1	Preferred stocks .....				
2.2	Common Stocks .....				
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2	Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3	Properties held for sale (less \$.....0 encumbrances) .....				
5.	Cash (\$.....10,875,820 Schedule E Part 1), cash equivalents (\$.....11,082,430 Schedule E Part 2) and short-term investments (\$.....30,382,863 Schedule DA) .....	52,341,113		52,341,113	44,094,946
6.	Contract loans (including \$.....0 premium notes) .....				
7.	Other invested assets (Schedule BA) .....				
8.	Receivables for securities .....				
9.	Aggregate write-ins for invested assets .....				
10.	Subtotals, cash and invested assets (Lines 1 to 9) .....	53,361,108		53,361,108	45,100,738
11.	Title plants less \$.....0 charged off (for Title insurers only) .....				
12.	Investment income due and accrued .....	293,391		293,391	267,622
13.	Premiums and considerations				
13.1	Uncollected premiums and agents' balances in the course of collection .....				
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....				
13.3	Accrued retrospective premiums .....				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers .....	461,301		461,301	239,377
14.2	Funds held by or deposited with reinsured companies .....				
14.3	Other amounts receivable under reinsurance contracts .....				
15.	Amounts receivable relating to uninsured plans .....				
16.1	Current federal and foreign income tax recoverable and interest thereon .....	162,000		162,000	
16.2	Net deferred tax asset .....	403,000	403,000		
17.	Guaranty funds receivable or on deposit .....				
18.	Electronic data processing equipment and software .....	86,566	86,566		
19.	Furniture and equipment, including health care delivery assets (\$.....0) .....	180,323	180,323		
20.	Net adjustment in assets and liabilities due to foreign exchange rates .....				
21.	Receivables from parent, subsidiaries and affiliates .....	21,327		21,327	
22.	Health care (\$.....225,321) and other amounts receivable .....	230,534		230,534	651,655
23.	Aggregate write-ins for other than invested assets .....	16,000		16,000	
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	55,215,550	669,889	54,545,661	46,259,391
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
26.	Total (Lines 24 and 25) .....	55,215,550	669,889	54,545,661	46,259,391
DETAILS OF WRITE-INS					
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....				
2301.	Prepaid Asset .....	16,000		16,000	
2302.	.....				
2303.	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page .....				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	16,000		16,000	

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded) .....	17,522,513		17,522,513	12,165,032
2.	Accrued medical incentive pool and bonus amounts .....	1,083,555		1,083,555	1,151,905
3.	Unpaid claims adjustment expenses .....	720,694		720,694	671,584
4.	Aggregate health policy reserves .....				
5.	Aggregate life policy reserves .....				
6.	Property/casualty unearned premium reserves .....				
7.	Aggregate health claim reserves .....				
8.	Premiums received in advance .....				
9.	General expenses due or accrued .....	430,187		430,187	447,260
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)) .....				354,990
10.2	Net deferred tax liability .....				
11.	Ceded reinsurance premiums payable .....				
12.	Amounts withheld or retained for the account of others .....				
13.	Remittances and items not allocated .....				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15.	Amounts due to parent, subsidiaries and affiliates .....				182,923
16.	Payable for securities .....				
17.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers) .....				
18.	Reinsurance in unauthorized companies .....				
19.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
20.	Liability for amounts held under uninsured plans .....				
21.	Aggregate write-ins for other liabilities (including \$.....0 current) .....	931,786		931,786	1,917,109
22.	Total liabilities (Lines 1 to 21) .....	20,688,735		20,688,735	16,890,803
23.	Aggregate write-ins for special surplus funds .....	X X X	X X X		
24.	Common capital stock .....	X X X	X X X	186,230	186,230
25.	Preferred capital stock .....	X X X	X X X		
26.	Gross paid in and contributed surplus .....	X X X	X X X	33,770	33,770
27.	Surplus notes .....	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
29.	Unassigned funds (surplus) .....	X X X	X X X	33,636,926	29,148,588
30.	Less treasury stock, at cost:				
30.1	.....0 shares common (value included in Line 24 \$.....0) .....	X X X	X X X		
30.2	.....0 shares preferred (value included in Line 25 \$.....0) .....	X X X	X X X		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30) .....	X X X	X X X	33,856,926	29,368,588
32.	Total Liabilities, capital and surplus (Lines 22 and 31) .....	X X X	X X X	54,545,661	46,259,391
DETAILS OF WRITE-INS					
2101.	MDCH QA Assessment Fee .....	931,786		931,786	1,917,109
2102.	.....				
2103.	.....				
2198.	Summary of remaining write-ins for Line 21 from overflow page .....				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above) .....	931,786		931,786	1,917,109
2301.	.....	X X X	X X X		
2302.	.....	X X X	X X X		
2303.	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page .....	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	X X X	X X X		
2801.	.....	X X X	X X X		
2802.	.....	X X X	X X X		
2803.	.....	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page .....	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above) .....	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months .....	X X X .....	763,807	687,543
2.	Net premium income (including \$.....0 non-health premium income) .....	X X X .....	176,195,343	128,668,068
3.	Change in unearned premium reserves and reserve for rate credits .....	X X X .....		
4.	Fee-for-service (net of \$.....0 medical expenses) .....	X X X .....		
5.	Risk revenue .....	X X X .....		
6.	Aggregate write-ins for other health care related revenues .....	X X X .....	(10,418,125)	(7,301,067)
7.	Aggregate write-ins for other non-health revenues .....	X X X .....		
8.	Total revenues (Lines 2 to 7) .....	X X X .....	165,777,219	121,367,001
Hospital and Medical:				
9.	Hospital/medical benefits .....		104,435,198	63,755,020
10.	Other professional services .....		9,021,015	8,619,405
11.	Outside referrals .....		1,220,059	1,378,157
12.	Emergency room and out-of-area .....		11,356,362	9,030,073
13.	Prescription drugs .....		21,511,147	18,774,221
14.	Aggregate write-ins for other hospital and medical .....			
15.	Incentive pool, withhold adjustments and bonus amounts .....		1,767,825	2,017,876
16.	Subtotal (Lines 9 to 15) .....		149,311,606	103,574,751
Less:				
17.	Net reinsurance recoveries .....		465,719	209,126
18.	Total hospital and medical (Lines 16 minus 17) .....		148,845,887	103,365,624
19.	Non-health claims (net) .....			
20.	Claims adjustment expenses, including \$.....0 cost containment expenses .....		2,848,723	2,530,102
21.	General administrative expenses .....		9,891,187	8,609,259
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....			
23.	Total underwriting deductions (Lines 18 through 22) .....		161,585,797	114,504,985
24.	Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X .....	4,191,422	6,862,016
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		2,610,558	2,204,203
26.	Net realized capital gains (losses) less capital gains tax of \$.....0 .....			
27.	Net investment gains (losses) (Lines 25 plus 26) .....		2,610,558	2,204,203
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....			
29.	Aggregate write-ins for other income or expenses .....			
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X .....	6,801,980	9,066,219
31.	Federal and foreign income taxes incurred .....	X X X .....	2,429,000	3,057,000
32.	Net income (loss) (Lines 30 minus 31) .....	X X X .....	4,372,980	6,009,219
DETAILS OF WRITE-INS				
0601.	Revenue - Other .....	X X X .....	206,606	153,653
0602.	MDCH QA Assessment Fee .....	X X X .....	(10,363,027)	(7,588,387)
0603.	Child & Adolescent Health Center Fee .....	X X X .....	(761,704)	(695,528)
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	X X X .....	500,000	829,195
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X .....	(10,418,125)	(7,301,067)
0701.	.....	X X X .....		
0702.	.....	X X X .....		
0703.	.....	X X X .....		
0798.	Summary of remaining write-ins for Line 7 from overflow page .....	X X X .....		
0799.	TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above) .....	X X X .....		
1401.	Unpaid Claims Adjustment Expense .....			
1402.	.....			
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page .....			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....			
2901.	Extraordinary Item - Claim Settlement .....			
2902.	.....			
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page .....			
2999.	TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above) .....			

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year .....	29,368,588	23,580,185
34.	Net income or (loss) from Line 32 .....	4,372,980	6,009,219
35.	Change in valuation basis of aggregate policy and claim reserves .....		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....		
37.	Change in net unrealized foreign exchange capital gain or (loss) .....		
38.	Change in net deferred income tax .....		
39.	Change in nonadmitted assets .....	115,357	(220,816)
40.	Change in unauthorized reinsurance .....		
41.	Change in treasury stock .....		
42.	Change in surplus notes .....		
43.	Cumulative effect of changes in accounting principles .....		
44.	Capital Changes:		
44.1	Paid in .....		33,770
44.2	Transferred from surplus (Stock Dividend) .....		
44.3	Transferred to surplus .....		
45.	Surplus adjustments:		
45.1	Paid in .....		
45.2	Transferred to capital (Stock Dividend) .....		
45.3	Transferred from capital .....		(33,770)
46.	Dividends to stockholders .....		
47.	Aggregate write-ins for gains or (losses) in surplus .....		
48.	Net change in capital and surplus (Lines 34 to 47) .....	4,488,337	5,788,403
49.	Capital and surplus end of reporting year (Line 33 plus 48) .....	33,856,926	29,368,588
DETAILS OF WRITE-INS			
4701.	.....	.....	.....
4702.	.....	.....	.....
4703.	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance .....	176,195,343	128,668,068
2.	Net investment income .....	2,582,580	2,096,673
3.	Miscellaneous income .....	(10,418,125)	(7,301,067)
4.	Total (Lines 1 through 3) .....	168,359,798	123,463,674
5.	Benefit and loss related payments .....	143,778,681	104,385,500
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	12,616,574	11,105,773
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....	2,899,990	2,250,010
10.	Total (Lines 5 through 9) .....	159,295,245	117,741,284
11.	Net cash from operations (Line 4 minus 10) .....	9,064,554	5,722,391
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....	1,010,000	1,016,000
12.2	Stocks .....		
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....		
12.8	Total investment proceeds (Lines 12.1 to 12.7) .....	1,010,000	1,016,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....	1,021,994	1,004,950
13.2	Stocks .....		
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....		
13.7	Total investments acquired (Lines 13.1 to 13.6) .....	1,021,994	1,004,950
14.	Net increase (decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(11,994)	11,050
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....		
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....		
16.6	Other cash provided (applied) .....	(806,393)	(506,579)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(806,393)	(506,579)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	8,246,167	5,226,861
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	44,094,946	38,868,084
19.2	End of year (Line 18 plus Line 19.1) .....	52,341,113	44,094,946

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001	.....		
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	2	3	4	5	6	7	8	9	10
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1.	Net premium income .....	176,195,343						2,386,726	173,808,617		
2.	Change in unearned premium reserves and reserve for rate credit .....										
3.	Fee-for-service (net of \$.....0 medical expenses) .....										X X X
4.	Risk revenue .....										X X X
5.	Aggregate write-ins for other health care related revenues .....	(10,418,125)							(10,418,125)		X X X
6.	Aggregate write-ins for other non-health care related revenues .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7.	Total revenues (Lines 1 to 6) .....	165,777,219						2,386,726	163,390,492		
8.	Hospital/medical benefits .....	104,435,198						711,320	103,723,878		X X X
9.	Other professional services .....	9,021,015						43,982	8,977,033		X X X
10.	Outside referrals .....	1,220,059							1,220,059		X X X
11.	Emergency room and out-of-area .....	11,356,362						51,845	11,304,517		X X X
12.	Prescription drugs .....	21,511,147						736,589	20,774,558		X X X
13.	Aggregate write-ins for other hospital and medical .....										X X X
14.	Incentive pool, withhold adjustments and bonus amounts .....	1,767,825							1,767,825		X X X
15.	Subtotal (Lines 8 to 14) .....	149,311,606						1,543,736	147,767,870		X X X
16.	Net reinsurance recoveries .....	465,719							465,719		X X X
17.	Total hospital and medical (Lines 15 minus 16) .....	148,845,887						1,543,736	147,302,151		X X X
18.	Non-health claims (net) .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19.	Claims adjustment expenses including \$.....0 cost containment expenses .....	2,848,723						48,100	2,800,623		
20.	General administrative expenses .....	9,891,187						219,123	9,672,063		
21.	Increase in reserves for accident and health contracts .....										X X X
22.	Increase in reserves for life contracts .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23.	Total underwriting deductions (Lines 17 to 22) .....	161,585,797						1,810,960	159,774,837		
24.	Net underwriting gain or (loss) (Line 7 minus Line 23) .....	4,191,422						575,766	3,615,655		
DETAILS OF WRITE-INS											
0501.	Revenue - Other .....	206,606							206,606		X X X
0502.	MDCH QA Assessment Fee .....	(10,363,027)							(10,363,027)		X X X
0503.	Child & Adolescent Health Center Fee .....	(761,704)							(761,704)		X X X
0598.	Summary of remaining write-ins for Line 5 from overflow page .....	500,000							500,000		X X X
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	(10,418,125)							(10,418,125)		X X X
0601.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698.	Summary of remaining write-ins for Line 6 from overflow page .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301.	Unpaid Claims Adjustment Expense .....										X X X
1302.	.....										X X X
1303.	.....										X X X
1398.	Summary of remaining write-ins for Line 13 from overflow page .....										X X X
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) .....										X X X

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1 - PREMIUMS

		1	2	3	4
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
1.	Comprehensive (hospital and medical) .....	.....	.....	.....	.....
2.	Medicare Supplement .....	.....	.....	.....	.....
3.	Dental only .....	.....	.....	.....	.....
4.	Vision only .....	.....	.....	.....	.....
5.	Federal Employees Health Benefits Plan .....	.....	.....	.....	.....
6.	Title XVIII - Medicare .....	2,391,058	.....	4,331	2,386,726
7.	Title XIX - Medicaid .....	174,298,948	.....	490,330	173,808,617
8.	Other health .....	.....	.....	.....	.....
9.	Health subtotal (Lines 1 through 8) .....	176,690,005	.....	494,662	176,195,343
10.	Life .....	.....	.....	.....	.....
11.	Property/casualty .....	.....	.....	.....	.....
12.	TOTALS (Lines 9 to 11) .....	176,690,005	.....	494,662	176,195,343

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct .....	141,766,326						1,659,263	140,107,063		
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....										
1.4 Net .....	141,766,326						1,659,263	140,107,063		
2. Paid medical incentive pools and bonuses .....	1,836,176							1,836,176		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct .....	17,522,513						997,483	16,525,029		
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....	17,522,513						997,483	16,525,029		
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct .....										
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....										
4.4 Net .....										
5. Accrued medical incentive pools and bonuses, current year .....	1,083,555							1,083,555		
6. Net healthcare receivables (a) .....	(419,974)						880	(420,853)		
7. Amounts recoverable from reinsurers December 31, current year .....	461,301							461,301		
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct .....	12,165,032						1,112,130	11,052,902		
8.2 Reinsurance assumed .....										
8.3 Reinsurance ceded .....										
8.4 Net .....	12,165,032						1,112,130	11,052,902		
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct .....										
9.2 Reinsurance assumed .....										
9.3 Reinsurance ceded .....										
9.4 Net .....										
10. Accrued medical incentive pools and bonuses, prior year .....	1,151,905							1,151,905		
11. Amounts recoverable from reinsurers December 31, prior year .....	239,377							239,377		
12. Incurred benefits:										
12.1 Direct .....	147,543,781						1,543,736	146,000,044		
12.2 Reinsurance assumed .....										
12.3 Reinsurance ceded .....	221,924							221,924		
12.4 Net .....	147,321,857						1,543,736	145,778,120		
13. Incurred medical incentive pools and bonuses .....	1,767,825							1,767,825		

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct .....										
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....										
1.4 Net .....										
2. Incurred but Unreported:										
2.1 Direct ..... 17,522,513							997,483	16,525,029		
2.2 Reinsurance assumed .....										
2.3 Reinsurance ceded .....										
2.4 Net ..... 17,522,513							997,483	16,525,029		
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....										
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....										
4. TOTALS										
4.1 Direct ..... 17,522,513							997,483	16,525,029		
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....										
4.4 Net ..... 17,522,513							997,483	16,525,029		

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2B - ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

		Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
Line of Business							
1.	Comprehensive (hospital and medical) .....						
2.	Medicare Supplement .....						
3.	Dental only .....						
4.	Vision only .....						
5.	Federal Employees Health Benefits Plan .....						
6.	Title XVIII - Medicare .....	395,362	1,263,901		997,483	395,362	1,112,130
7.	Title XIX - Medicaid .....	9,875,748	130,410,891		16,525,029	9,875,748	11,052,902
8.	Other health .....						
9.	Health subtotal (Lines 1 to 8) .....	10,271,110	131,674,792		17,522,512	10,271,110	12,165,032
10.	Healthcare receivables (a) .....	645,294			225,321	645,294	645,294
11.	Other non-health .....						
12.	Medical incentive pool and bonus amounts .....	1,087,562	748,614		1,083,555	1,087,562	1,151,905
13.	TOTALS (Lines 9 - 10 + 11 + 12) .....	10,713,378	132,423,406		18,380,746	10,713,378	12,671,643

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)

Grand Total

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2003	2 2004	3 2005	4 2006	5 2007
1.	Prior .....	66,240	66,273	66,293	66,293	66,293
2.	2003 .....	62,664	74,321	74,399	74,391	74,389
3.	2004 .....	X X X	78,712	89,343	88,980	88,983
4.	2005 .....	X X X	X X X	92,371	103,720	103,667
5.	2006 .....	X X X	X X X	X X X	94,592	104,916
6.	2007 .....	X X X	X X X	X X X	X X X	132,423

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2003	2 2004	3 2005	4 2006	5 2007
1.	Prior .....	67,716	66,273	66,293	66,293	66,293
2.	2003 .....	80,562	75,742	74,399	74,391	74,389
3.	2004 .....	X X X	94,273	90,341	88,980	88,983
4.	2005 .....	X X X	X X X	106,248	104,154	103,667
5.	2006 .....	X X X	X X X	X X X	107,475	104,916
6.	2007 .....	X X X	X X X	X X X	X X X	151,029

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1  Premiums Earned	2  Claims Payments	3  Claim Adjustment Expense Payments	4  (Col. 3/2) Percent	5  Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6  (Col. 5/1) Percent	7  Claims Unpaid	8  Unpaid Claims Adjustment Expenses	9  Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10  (Col. 9/1) Percent
1.	2003 .....	93,089	74,389			74,389	79.912			74,389	79.912
2.	2004 .....	111,547	88,983			88,983	79.772			88,983	79.772
3.	2005 .....	124,927	103,667			103,667	82.982			103,667	82.982
4.	2006 .....	128,668	104,916			104,916	81.540			104,916	81.540
5.	2007 .....	176,195	132,423			132,423	75.157	18,606	721	151,750	86.126

12 Total

12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Hospital and Medical . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Hospital and Medical . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Hospital and Medical . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . .	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only . . . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only . . . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only . . . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only . . . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only . . . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only . . . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP . . . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP . . . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP . . . . .	NONE

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)

Title XVIII - Medicare

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2003	2 2004	3 2005	4 2006	5 2007
1.	Prior .....	.....	.....	.....	.....	.....
2.	2003 .....	.....	.....	.....	.....	.....
3.	2004 .....	X X X .....	.....	.....	.....	.....
4.	2005 .....	X X X .....	X X X .....	.....	.....	.....
5.	2006 .....	X X X .....	X X X .....	X X X .....	662 .....	1,057 .....
6.	2007 .....	X X X .....	X X X .....	X X X .....	X X X .....	1,264 .....

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2003	2 2004	3 2005	4 2006	5 2007
1.	Prior .....	.....	.....	.....	.....	.....
2.	2003 .....	.....	.....	.....	.....	.....
3.	2004 .....	X X X .....	.....	.....	.....	.....
4.	2005 .....	X X X .....	X X X .....	.....	.....	.....
5.	2006 .....	X X X .....	X X X .....	X X X .....	1,774 .....	1,057 .....
6.	2007 .....	X X X .....	X X X .....	X X X .....	X X X .....	2,261 .....

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1  Premiums Earned	2  Claims Payments	3  Claim Adjustment Expense Payments	4  (Col. 3/2) Percent	5  Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6  (Col. 5/1) Percent	7  Claims Unpaid	8  Unpaid Claims Adjustment Expenses	9  Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10  (Col. 9/1) Percent
1.	2003 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2.	2004 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3.	2005 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4.	2006 .....	1,446 .....	1,057 .....	.....	.....	1,057 .....	73.152 .....	.....	.....	1,057 .....	73.152 .....
5.	2007 .....	2,387 .....	1,264 .....	.....	.....	1,264 .....	52.955 .....	997 .....	.....	2,261 .....	94.748 .....

12 Title XVIII-Medicare

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)

Title XIX - Medicaid

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2003	2 2004	3 2005	4 2006	5 2007
1.	Prior .....	66,240	66,273	66,293	66,293	66,293
2.	2003 .....	62,664	74,321	74,399	74,391	74,389
3.	2004 .....	X X X	78,712	89,343	88,980	88,983
4.	2005 .....	X X X	X X X	92,371	103,720	103,667
5.	2006 .....	X X X	X X X	X X X	93,930	103,858
6.	2007 .....	X X X	X X X	X X X	X X X	131,160

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2003	2 2004	3 2005	4 2006	5 2007
1.	Prior .....	67,716	66,273	66,293	66,293	66,293
2.	2003 .....	80,562	75,742	74,399	74,391	74,389
3.	2004 .....	X X X	94,273	90,341	88,980	88,983
4.	2005 .....	X X X	X X X	106,248	104,154	103,667
5.	2006 .....	X X X	X X X	X X X	105,701	103,858
6.	2007 .....	X X X	X X X	X X X	X X X	148,768

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1  Premiums Earned	2  Claims Payments	3  Claim Adjustment Expense Payments	4  (Col. 3/2) Percent	5  Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6  (Col. 5/1) Percent	7  Claims Unpaid	8  Unpaid Claims Adjustment Expenses	9  Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10  (Col. 9/1) Percent
1.	2003 .....	93,089	74,389			74,389	79.912			74,389	79.912
2.	2004 .....	111,547	88,983			88,983	79.772			88,983	79.772
3.	2005 .....	124,927	103,667			103,667	82.982			103,667	82.982
4.	2006 .....	127,223	103,858			103,858	81.635			103,858	81.635
5.	2007 .....	173,809	131,160			131,160	75.462	17,609	721	149,489	86.008

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Other ..... NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur Claims - Other ..... NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Other ..... NONE

13 Underwriting Invest Exh Pt 2D - A & H Reserve ..... NONE

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 3 - ANALYSIS OF EXPENSES

		Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
		1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1.	Rent (\$.....0 for occupancy of own building) .....		185,000	377,165		562,165
2.	Salaries, wages and other benefits .....		1,850,000	4,534,245		6,384,245
3.	Commissions (less \$.....0 ceded plus \$.....0 assumed) .....					
4.	Legal fees and expenses .....			126,630		126,630
5.	Certifications and accreditation fees .....			132,273		132,273
6.	Auditing, actuarial and other consulting services .....		148,102	523,733		671,836
7.	Traveling expenses .....			169,511		169,511
8.	Marketing and advertising .....			372,789		372,789
9.	Postage, express and telephone .....		135,000	386,462		521,462
10.	Printing and office supplies .....		45,621	330,182		375,803
11.	Occupancy, depreciation and amortization .....			56,266		56,266
12.	Equipment .....					
13.	Cost or depreciation of EDP equipment and software .....		280,000	1,473,336		1,753,336
14.	Outsourced services including EDP, claims, and other services .....			708,906		708,906
15.	Boards, bureaus and association fees .....			95,022		95,022
16.	Insurance, except on real estate .....					
17.	Collection and bank service charges .....					
18.	Group service and administration fees .....					
19.	Reimbursements by uninsured plans .....					
20.	Reimbursements from fiscal intermediaries .....					
21.	Real estate expenses .....		20,000	204,000		224,000
22.	Real estate taxes .....					
23.	Taxes, licenses and fees:					
23.1	State and local insurance taxes .....			257,292		257,292
23.2	State premium taxes .....					
23.3	Regulator authority licenses and fees .....			3,830		3,830
23.4	Payroll taxes .....		185,000	139,543		324,543
23.5	Other (excluding federal income and real estate taxes) .....					
24.	Investment expenses not included elsewhere .....					
25.	Aggregate write-ins for expenses .....					
26.	Total expenses incurred (Lines 1 to 25) .....		2,848,723	9,891,187		(a) 12,739,910
27.	Less expenses unpaid December 31, current year .....			430,187		430,187
28.	Add expenses unpaid December 31, prior year .....			447,260		447,260
29.	Amounts receivable relating to uninsured plans, prior year .....					
30.	Amounts receivable relating to uninsured plans, current year .....					
31.	Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....		2,848,723	9,908,259		12,756,982
DETAILS OF WRITE-INS						
2501.	Miscellaneous .....					
2502.	0 .....					
2503.	0 .....					
2598.	Summary of remaining write-ins for Line 25 from overflow page .....					
2599.	Totals (Lines 2501 through 2503 + 2598) (Line 25 above) .....					

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds .....	(a)..... 43,728	..... 46,992
1.1	Bonds exempt from U.S. tax .....	(a).....	.....
1.2	Other bonds (unaffiliated) .....	(a).....	.....
1.3	Bonds of affiliates .....	(a).....	.....
2.1	Preferred stocks (unaffiliated) .....	(b).....	.....
2.11	Preferred stocks of affiliates .....	(b).....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans .....	(c).....	.....
4.	Real estate .....	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	(e)..... 2,538,765	..... 2,563,566
7.	Derivative instruments .....	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....	.....
10.	Total gross investment income .....	..... 2,582,493	..... 2,610,558
11.	Investment expenses .....	(g).....	
12.	Investment taxes, licenses and fees, excluding federal income taxes .....	(g).....	
13.	Interest expense .....	(h).....	
14.	Depreciation on real estate and other invested assets .....	(i).....	
15.	Aggregate write-ins for deductions from investment income .....	.....	
16.	Total deductions (Lines 11 through 15) .....	.....	
17.	Net Investment income (Line 10 minus Line 16) .....	..... 2,610,558	
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	.....	.....
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15, above) .....	.....	.....
(a) Includes \$.....4,208 accrual of discount less \$.....1,999 amortization of premium and less \$.....23,816 paid for accrued interest on purchases.			
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.			
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.			
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.			
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.			
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	.....	.....	.....	.....	.....
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated) .....	.....	.....	.....	.....	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	.....	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	Total capital gains (losses) .....	.....	.....	.....	.....	.....
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	.....	.....	.....	.....	.....

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D) .....			
2.	Stocks (Schedule D):			
2.1	Preferred stocks .....			
2.2	Common stocks .....			
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens .....			
3.2	Other than first liens .....			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company .....			
4.2	Properties occupied for the production of income .....			
4.3	Properties held for sale .....			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) .....			
6.	Contract loans .....			
7.	Other invested assets (Schedule BA) .....			
8.	Receivables for securities .....			
9.	Aggregate write-ins for invested assets .....			
10.	Subtotals, cash and invested assets (Lines 1 to 9) .....			
11.	Title plants (for Title insurers only) .....			
12.	Invested income due and accrued .....			
13.	Premium and considerations:			
13.1	Uncollected premiums and agents' balances in the course of collection .....			
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
13.3	Accrued retrospective premiums .....			
14.	Reinsurance:			
14.1	Amounts recoverable from reinsurers .....			
14.2	Funds held by or deposited with reinsured companies .....			
14.3	Other amounts receivable under reinsurance contracts .....			
15.	Amounts receivable relating to uninsured plans .....			
16.1	Current federal and foreign income tax recoverable and interest thereon .....			
16.2	Net deferred tax asset .....	403,000	449,000	46,000
17.	Guaranty funds receivable or on deposit .....			
18.	Electronic data processing equipment and software .....	86,566	107,707	21,141
19.	Furniture and equipment, including health care delivery assets .....	180,323	228,540	48,217
20.	Net adjustment in assets and liabilities due to foreign exchange rates .....			
21.	Receivables from parent, subsidiaries and affiliates .....			
22.	Health care and other amounts receivable .....			
23.	Aggregate write-ins for other than invested assets .....			
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	669,889	785,246	115,357
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
26.	Total (Lines 24 and 25) .....	669,889	785,246	115,357
DETAILS OF WRITE-INS				
0901.	.....			
0902.	.....			
0903.	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page .....			
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....			
2301.	.....			
2302.	.....			
2303.	.....			
2398.	Summary of remaining write-ins for Line 23 from overflow page .....			
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....			

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment		Total Members at End of					6
		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1.	Health Maintenance Organizations .....	59,381	63,198	64,341	63,855	64,487	763,807
2.	Provider Service Organizations .....						
3.	Preferred Provider Organizations .....						
4.	Point of Service .....						
5.	Indemnity Only .....						
6.	Aggregate write-ins for other lines of business .....						
7.	TOTAL .....	59,381	63,198	64,341	63,855	64,487	763,807
DETAILS OF WRITE-INS							
0601.	.....						
0602.	.....						
0603.	.....						
0698.	Summary of remaining write-ins for Line 6 from overflow page .....						
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....						

# Notes to Financial Statement

## 1. Summary of Significant Accounting Policies

### A. Accounting Practices

The financial statements have been prepared in accordance with the NAIC Accounting Practices and Procedures Manual and the basis of accounting practices generally prescribed or permitted by the State of Michigan Division of Insurance (statutory basis). Financial statements prepared on the statutory basis vary in some respects from those prepared in accordance with accounting principles generally accepted in the United States of America.

The significant accounting principles, as outlined above, were followed in the preparation of the statutory basis financial statements. Had the financial statements been prepared in accordance with the accounting principles generally accepted in the United States of America, the following differences would have been noted:

- Electronic data processing equipment & software and Furnitures and fixtures would be capitalized at cost and depreciated over the estimated useful lives of the assets.
- Deferred income taxes would be provided for temporary differences between taxes currently payable and taxes based upon financial income.

### B. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of (1) assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and (2) revenues and expenses during the reporting period. A significant item subject to such estimates includes the accrual for hospitalization and other external providers. Actual results could differ from those estimates.

### C. Accounting Policy

1. Short –term investments are stated at amortized cost. Cash Equivalents have been accounted for in accordance with SSAP No. 2. All highly liquid investments with original maturities of three months or less are classified as cash equivalents.
2. Bonds - As a condition of licensure with the State of Michigan, the Plan is required to maintain a minimum deposit of \$1,000,000 in a segregated and restricted account. These funds can only be used by the Plan at the direction of the Commissioner. The deposited amounts are invested in a U.S. Treasury Note and stated at amortized cost.
3. Common Stocks – Not applicable
4. Preferred Stocks – Not applicable
5. Mortgage Loans – Not applicable
6. Loan –backed securities – Not applicable
7. Investments in Subsidiaries, controlled and affiliated companies – Not applicable
8. Investments in Joint Ventures, partnerships and limited liability companies – Not applicable
9. Derivatives – Not applicable
10. The Company was not required to record a premium deficiency reserve at December 31, 2007.
11. The Plan accrues the cost of hospitalization and other external provider expenses in the period in which they are provided based in part on estimates, including an estimate for claims incurred but not reported to the Plan (IBNR). These estimates are reviewed and opined upon by an Actuarial firm, Milliman. The Plan's contracts with providers require specified withholdings from capitation payments to create a pool for risk sharing based on membership. The pool is used to cover incurred expenses, excluding inpatient, in the event of over-utilization of medical services. Amounts withheld by the Plan for all Primary Care Providers with 200 to 350 Members will be held in a single Referral Services Fund. The Plan will pay 75% of any estimated surplus to the Providers, up to a maximum of two months capitation, and any remaining amount will be paid to the Plan. Any estimated deficit will be allocated 25%, up to a maximum of two month's capitation, to the Providers and any remaining deficit to the Plan. Amounts withheld by the Plan for each Provider with 350 or more Members will be held in a separate Referral Services Fund. Six months after the end of each calendar year, an accounting of actual and accrued expenses properly chargeable to the Referral Services Fund will be done by the Plan to determine the amount of any surplus or deficit in the Provider's Referral Services Fund. Any surplus will be paid 75% to the Provider, up to a maximum of two month's capitation, and 25% to the Plan and any deficit will be allocated 25% to the Provider, up to a maximum of two month's capitation and 75% to the Plan.
12. Capitalization policy – no change in threshold. Improvements and equipment are stated at cost. Depreciation is computed over the estimated useful lives of the assets using both the straight-line and accelerated methods. All fixed assets are Non-admitted assets.
13. Pharmaceutical/Rebates Receivable – The plan recognizes pharmacy rebates/reimbursements when the amounts are known or a reasonable estimate is determinable
14. The Plan operates under two capitated Medicaid contracts with the Michigan Department of Community Health (MDCH). In addition, the Plan has a contract with the Centers for Medicare and Medicaid Services (CMS) for Medicare beneficiaries. For the years ended December 31, 2007 and 2006, these contracts provided the majority of the Plan's operating revenues. Revenue is recognized during the month in which coverage for enrolled members is in effect. Amounts receivable or payable as a result of the contract reconciliation process are recorded in the year known or a reasonable estimate is determinable. The State of Michigan commenced an initiative to facilitate access to hospitals for Medicaid health plan enrollees in 2007. Thus, there was an increase in the Plan's capitation premium and payment for hospital/medical benefits.

Notes to Financial Statement

2. Accounting Change and Correction of Errors

None.

3. Business Combination and Goodwill

None

4. Discontinued Operations

None.

5. Investments

- A. Mortgage Loans – None
- B. Debt Restructuring – None
- C. Reverse Mortgages – None
- D. Loan-Backed Securities– None
- E. Repurchase Agreements – None
- F. Real Estate – None
- G. Investment in Low-Income Housing Tax Credits – None

Midwest Health Plan has the following investments:

- In compliance with the Michigan Insurance Code, the Plan maintains a deposit in trust. The Plan has determined that this investment will be held to maturity, over one year, and are therefore carried at amortized cost in the accompanying financial statements.
- Short-term investments consist primarily of high-grade discounted commercial paper with original maturities greater than three months and less than one year. The Plan has determined that its short-term investments will be held to maturity and therefore carried at amortized cost in the accompanying financial statements.

6. Joint Ventures, Partnerships and Limited Liability Companies

None.

7. Investment Income

During the fiscal year 2007 investment income was from the following sources:

Cash, Cash Equivalents and Short-Term Investments	\$2,563,482
Long-term bond – U.S. Treasury Note	46,922
Other	<u>84</u>
Totals	\$2,610,558

Investment Income due and accrued was \$293,391 and \$267,622 for the year-ended December 31, 2007 and 2006, respectively.

8. Derivative Instruments

None.

9. Income Taxes

- A. The components of the net deferred tax asset recognized at December 31, 2007 and 2006, respectively are as follows:

Year Ended December 31	<u>2007</u>	<u>2006</u>
Total of all deferred tax assets	\$411,000	\$449,000
Total of all deferred tax liabilities	8,000	0
Total Net Deferred tax asset	403,000	449,000
Total Deferred tax asset non admitted	403,000	449,000
Total Deferred tax asset admitted	0	0
Change in non admitted deferred tax asset	(46,000)	2,000

- B. There are no unrecognized deferred tax liabilities.
- C. The provision for taxes on income consisted of the following:

Year Ended December 31,	<u>2007</u>	<u>2006</u>
-------------------------	-------------	-------------

Notes to Financial Statement

Current	\$2,383,000	\$3,059,000
Change in Deferred tax asset	46,000	(2,000)
Taxes on Income	\$2,429,000	\$3,057,000

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes - the major components are as follow:

Deferred Tax Asset:		
	2007	2006
Network Development List	\$217,000	\$215,000
Discounted Unpaid Losses	128,000	121,000
Improvements & Equipment	66,000	51,000
Related Party Payable	0	62,000
Total Deferred Tax Asset	\$411,000	\$449,000
Deferred Tax Liability:		
Related Party Payable	\$8,000	0
Total Deferred Tax Liability	\$8,000	\$0

- D. There were no significant book to tax adjustments in 2007
- E. 1. The Company had no operating loss carry forwards.  
  
2. The amount of federal income taxes incurred in 2007 and 2006 that will be available for recoupment in the event of future net losses is \$2,429,000 and \$2,429,000, respectively.
- F. The Company's Federal Income Tax return is not consolidated with any other entities.

Supplemental Disclosures of Cash Flow Information

Cash paid during the year for:		
Year Ended December 31,	2007	2006
Income taxes	\$2,899,990	\$2,250,010

10. Information Concerning Parent, Subsidiaries and Affiliates

The Plan has an agreement with Midwest Health Center, P.C. (Center), an entity related through common ownership, whereby the Center provides facilities and staffing services utilized by the Plan. For the years ended December 31, 2007 and 2006, these shared service fees amounted to \$840,000 and \$840,000, respectively. In addition, the Plan paid approximately \$761,775 and \$686,250 during 2007 and 2006, respectively, for information systems services to this related party.

Under a primary site/plan agreement with the Center, Brookside Health Center, PC, Midwest – Livonia, PC, Rick Poston, DO PC, the Plan is responsible for making payments for provider services based on enrolled members. For the years ended December 31, 2007 and 2006 total payments for provider services to these affiliates was \$4,327,119 and \$4,082,000, respectively.

Amounts due from affiliates were \$21,327 at December 31, 2007 and amounts due to affiliates were \$182,923 at December 31, 2006.

The Plan has an operating lease agreement with SPS Woodbridge, LLC and a sub lease agreement with Midwest-Woodbridge Health Center, PC. The net rent expense with affiliates was \$519,165 and \$540,018 for the years December 31, 2007 and 2006, respectively. In addition, the Plan capitalized Leasehold Improvements of \$154,035 in 2006. The leases are maintained on a month-to-month basis.

The Plan has an Administrative Services Agreement with Midwest Health AKM, Inc., that began in 2004. For the years ended December 31, 2007 and 2006 respectively the Plan recognized: Other revenue of \$500,000 and \$829,200, allocated expenses of \$261,198 and \$248,760 that results in a \$238,802 and \$580,440 profit for the year.

11. Debt

None

12. Employee Benefit Plan

- A. Defined Benefit Plan - None
- B. Defined Contribution Plan - The Plan maintains a 401(k) plan for its employees. All employees are eligible to participate in the 401(k) plan after completion of age and service requirements. The Plan makes matching contributions to the 401(k) plan up to four percent or eligible compensation. Contributions, net of forfeitures, made to the 401(k) plan by the Plan for the years ended December 31, 2007 and 2006 were approximately \$121,350 and \$108,000, respectively. The fair value of plan assets was \$2,070,243 and \$1,430,440 at December 31, 2007 and 2006 respectively.

# Notes to Financial Statement

C. Multiemployer Plans – None

D. Consolidated/Holding Company Plans – None

E. Postemployment Benefits and Compensated Absences – None

F. Impact of Medicare Modernization Act on Postretirement Benefits – None – The Plan does not sponsor a group health plan for retirees.

**13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

- The Plan has 60,000 shares authorized, 8,465 issued and outstanding at a par value of \$ 22 as of December 31, 2007.
- The Plan has no preferred stock.
- Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the Company's state of incorporation, Michigan, and to an amount based on restrictions relating to statutory surplus.
- Within the limitations above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- There are no Surplus Notes.
- There is no stock held by the Plan for special purposes (conversion, employee stock options or purchase warrants).
- There are no Unassigned funds
- There are no Surplus Notes

On March 9, 2005, Midwest – HC, Inc., the parent corporation of Midwest Health Plan, Inc agreed to merge together. . Midwest Health Plan, Inc then transferred approximately 87% of its common stock to a limited liability company that is owned and controlled by transferring shareholders. Each stockholder has an indirect ownership, via the limited liability company, in Midwest Health Plan, Inc in the same percentage. As a result of this merger, the Plan retired 10,000 shares of its common stock and issued 8,465 of new shares of common stock. Thus Midwest Health Plan, Inc. reported in the 1<sup>st</sup> Quarter 2006, the common stock value change to \$186,230, with \$33,770 transferred to Additional paid-in-capital.

**14. Commitments and Contingencies**

None.

**15. Leases**

The Plan leases office space under an operating lease agreement, with a related party, that ends on April 30, 2008. Rental expense, net of sub-leases, was approximately \$337,000 and \$534,000 for 2007 and 2006, respectively. The sublease rentals, with affiliates and non-affiliates, were approximately \$252,000 and \$70,000 for 2007 and 2006, respectively. At January 1, 2008, the minimum aggregate rental commitments are as follows:

- 2008        \$125,000

**16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.**

None.

**17. Sales, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities**

None.

**18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.**

A. - The Plan has an Administrative Services Agreement with Midwest Health AKM, Inc., an affiliate, that began in 2004. For the years ended December 31, 2007 and 2006 respectively the Plan recognized: Other revenue of \$500,000 and \$829,200, allocated expenses of \$279,675 and \$248,760 that results in a \$220,325 and \$580,440 profit for the year. The total claim payment volume was approximately \$16,575,400 and \$13,691,300 for 2007 and 2006, respectively.

B. – ASC Plans - None

C. – Medicare or Other Similary Structured Cost Based Reimbursement Contract - None

**19. Direct Premium Written/Produced by Managing General Third Agents/Third Party Administrators**

None.

**20. Other Items**

None.

**21. Events Subsequent**

Notes to Financial Statement

None.

22. Reinsurance

The Plan has a reinsurance agreement with Reliastar Life Insurance Company, NAIC #67105, Federal tax ID #41-0451140. The deductible rate for institutional services is \$120,000 with a co-payment of 10%, except for non-approved transplants. Reinsurance ceded was \$494,662 and \$575,225 for 2007 and 2006, respectively.

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination.

None.

24. Change in Incurred Claims and Claims Adjustment Expenses

The Plan recognized claim adjustment expenses based on an actuarial determined amount. Claim adjustment expenses for the years ended December 31, 2007 and 2006 for the Plan were approximately \$2,848,723 and \$2,530,102, as specified by SSAP No. 55, Unpaid Claims, Losses and Loss Adjustment Expenses which was adopted by the State of Michigan Division of Insurance for implementation beginning with the year ended December 31, 2002 reporting requirements.

25. Intercompany Pooling Arrangements

None

26. Structured Settlements

None

27. Health Care Receivables - Admitted

- A. **Pharmaceutical/Rebates Receivable** – The plan recognizes pharmacy rebates/reimbursements when the amounts are known or a reasonable estimate is determinable.

Quarter	Estimated Receivable	Confirmed Receivable	Received within 90 days	Received within 91 -180 days	Received over 180 days
12/31/07	225,321	225,321	225,321		
9/30/07	366,343	366,343	366,343		
6/30/07	577,875	577,875	577,875		
3/31/07	90,000	216,661	216,661		
12/31/06	645,294	645,294	645,294		
9/30/06	264,496	264,496	264,496		
6/30/06	260,524	260,524	260,524		
3/31/06	240,000	265,564	265,564		
12/31/05	242,778	242,778	242,778		
9/30/05	225,000	237,943	237,943		
6/30/05	243,757	243,757	243,757		
3/31/05	200,000	249,033	249,033		

B. Risk Sharing Receivable

None

28. Participating Policies

None

29. Premium Deficiency Reserves

None

30. Anticipated Salvage and Subrogation

None

SUMMARY INVESTMENT SCHEDULE

Investment Categories		Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
		1 Amount	2 Percentage	3 Amount	4 Percentage
1.	Bonds:				
1.1	U.S. treasury securities .....	1,019,995	1.911	1,019,995	1.911
1.2	U.S. government agency obligations (excluding mortgage-backed securities):				
1.21	Issued by U.S. government agencies .....				
1.22	Issued by U.S. government sponsored agencies .....				
1.3	Foreign government (including Canada, excluding mortgage-backed securities) .....				
1.4	Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41	States, territories and possessions general obligations .....				
1.42	Political subdivisions of states, territories and possessions and political subdivisions general obligations .....				
1.43	Revenue and assessment obligations .....				
1.44	Industrial development and similar obligations .....				
1.5	Mortgage-backed securities (includes residential and commercial MBS):				
1.51	Pass-through securities:				
1.511	Issued or Guaranteed by GNMA .....				
1.512	Issued or Guaranteed by FNMA and FHLMC .....				
1.513	All other .....				
1.52	CMOs and REMICs:				
1.521	Issued or guaranteed by GNMA, FNMA, FHLMC or VA .....				
1.522	Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521 .....				
1.523	All other .....				
2.	Other debt and other fixed income securities (excluding short term):				
2.1	Unaffiliated domestic securities (includes credit tenant loans rated by the SVO) .....				
2.2	Unaffiliated foreign securities .....				
2.3	Affiliated securities .....				
3.	Equity interests:				
3.1	Investments in mutual funds .....				
3.2	Preferred stocks:				
3.21	Affiliated .....				
3.22	Unaffiliated .....				
3.3	Publicly traded equity securities (excluding preferred stocks):				
3.31	Affiliated .....				
3.32	Unaffiliated .....				
3.4	Other equity securities:				
3.41	Affiliated .....				
3.42	Unaffiliated .....				
3.5	Other equity interests including tangible personal property under lease:				
3.51	Affiliated .....				
3.52	Unaffiliated .....				
4.	Mortgage loans:				
4.1	Construction and land development .....				
4.2	Agricultural .....				
4.3	Single family residential properties .....				
4.4	Multifamily residential properties .....				
4.5	Commercial loans .....				
4.6	Mezzanine real estate loans .....				
5.	Real estate investments:				
5.1	Property occupied by company .....				
5.2	Property held for production of income (including \$.....0 of property acquired in satisfaction of debt) .....				
5.3	Property held for sale (including \$.....0 property acquired in satisfaction of debt) .....				
6.	Contract loans .....				
7.	Receivables for securities .....				
8.	Cash, cash equivalents and short-term investments .....	52,341,113	98.089	52,341,113	98.089
9.	Other invested assets .....				
10.	Total invested assets .....	53,361,108	100.000	53,361,108	100.000

GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes[X] No[ ] N/A[ ]
- 1.3 State Regulating?

Michigan
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2003
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2003
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/16/2005
- 3.4 By what department or departments?

Department of Labor & Economic Growth (DLEG) , Office of Financial & Insurance Services (OFIS)
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business?

Yes[ ] No[X]
- 4.12 renewals?

Yes[ ] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business?

Yes[ ] No[X]
- 4.22 renewals?

Yes[ ] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes[ ] No[X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control

0.000%
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1	2
Nationality	Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
		.. Yes[ ] No[X] .	.. Yes[ ] No[X] .	.. Yes[ ] No[X] .	.. Yes[ ] No[X] .	.. Yes[ ] No[X] .

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

BDO Seidman, LLP, 755 West Big Beaver, Suite 1900 Troy, Michigan 48084-0178
10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Michael Sturm, Milliman USA, 15800 Blue Mound Road, Suite 400, Brookfield, Wisconsin 53005-6069, Consulting Contract
- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes[ ] No[X]
- 11.11 Name of real estate holding company
- 11.12 Number of parcels involved

0
- 11.13 Total book/adjusted carrying value

\$ 0
- 11.2 If yes, provide explanation
12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes[ ] No[ ] N/A[X]
- 12.3 Have there been any changes made to any of the trust indentures during the year?

Yes[ ] No[ ] N/A[X]
- 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes?

Yes[ ] No[ ] N/A[X]

GENERAL INTERROGATORIES (Continued)

- 13.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
c. Compliance with applicable governmental laws, rules and regulations;  
d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
e. Accountability for adherence to the code.

Yes[X] No[ ]
- 13.11 If the response to 13.1 is No, please explain:
- 13.2 Has the code of ethics for senior managers been amended?

Yes[ ] No[X]
- 13.21 If the response to 13.2 is Yes, provide information related to amendment(s).
- 13.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[ ] No[X]
- 13.31 If the response to 13.3 is Yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

14. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

Yes[X] No[ ]
15. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes[X] No[ ]
16. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes[X] No[ ]

FINANCIAL

17. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes[ ] No[X]
- 18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

18.11 To directors or other officers

\$ ..... 0

18.12 To stockholders not officers

\$ ..... 0

18.13 Trustees, supreme or grand (Fraternal only)

\$ ..... 0
- 18.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

18.21 To directors or other officers

\$ ..... 0

18.22 To stockholders not officers

\$ ..... 0

18.23 Trustees, supreme or grand (Fraternal only)

\$ ..... 0
- 19.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes[ ] No[X]
- 19.2 If yes, state the amount thereof at December 31 of the current year:

19.21 Rented from others

\$ ..... 0

19.22 Borrowed from others

\$ ..... 0

19.23 Leased from others

\$ ..... 0

19.24 Other

\$ ..... 0
- 20.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes[ ] No[X]
- 20.2 If answer is yes:

20.21 Amount paid as losses or risk adjustment

\$ ..... 0

20.22 Amount paid as expenses

\$ ..... 0

20.23 Other amounts paid

\$ ..... 0
- 21.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[X] No[ ]
- 21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ ..... 21,327

INVESTMENT

- 22.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date?

Yes[X] No[ ]
- 22.2 If no, give full and complete information, relating thereto:
- 23.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1).

Yes[ ] No[X]
- 23.2 If yes, state the amount thereof at December 31 of the current year:

23.21 Loaned to others

\$ ..... 0

23.22 Subject to repurchase agreements

\$ ..... 0

23.23 Subject to reverse repurchase agreements

\$ ..... 0

23.24 Subject to dollar repurchase agreements

\$ ..... 0

23.25 Subject to reverse dollar repurchase agreements

\$ ..... 0

23.26 Pledged as collateral

\$ ..... 0

23.27 Placed under option agreements

\$ ..... 0

23.28 Letter stock or securities restricted as to sale

\$ ..... 0

23.29 On deposit with state or other regulatory body

\$ ..... 0

23.291 Other

\$ ..... 0
- 23.3 For category (23.28) provide the following:

1	2	3
Nature of Restriction	Description	Amount
.....	.....	.....

- 24.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes[ ] No[X]
- 24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes[ ] No[ ] N/A[X]
- 25.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes[ ] No[X]
- 25.2 If yes, state the amount thereof at December 31 of the current year.

\$ ..... 0
26. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, G - Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[ ]
- 26.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

GENERAL INTERROGATORIES (Continued)

1 Name of Custodian(s)	2 Custodian's Address
LaSalle Bank N.A. -Wealth Management Group .....	2600 West Big Beaver Road, Troy, MI 48084 .....

26.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....	.....	.....

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes[ ] No[X]  
26.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....	.....	.....	.....

26.05 Identify all investment advisers, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
.....	.....	.....

27.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])? Yes[ ] No[X]  
27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
27.2999 Total .....	.....	.....

27.3 For each mutual fund listed in the table above, complete the following schedule:

1  Name of Mutual Fund (from above table)	2  Name of Significant Holding of the Mutual Fund	3  Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4  Date of Valuation
.....	.....	.....	.....

28. Provide the following information for all short term and long term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1  Statement (Admitted) Value	2  Fair Value	3  Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
28.1 Bonds .....	..... 31,402,858	..... 31,402,858	.....
28.2 Preferred stocks .....	.....	.....	.....
28.3 Totals .....	..... 31,402,858	..... 31,402,858	.....

28.4 Describe the sources of methods utilized in determining the fair values  
Nature of Investment (U.S. Treasury Note) with stated interest rate and highly rated discounted short-term commercial paper

29.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes[X] No[ ]  
29.2 If no, list exceptions:

OTHER

30.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$..... 107,755  
30.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

GENERAL INTERROGATORIES (Continued)

1 Name	2 Amount Paid
Michigan Association of Health Plans .....	..... 36,000

31.1 Amount of payments for legal expenses, if any?

31.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

\$..... 201,555

1 Name	2 Amount Paid
Barris, Sott, Denn & Driker, PLLC .....	..... 151,832

32.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any?

32.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies officers or department of government during the period covered by this statement.

\$..... 0

1 Name	2 Amount Paid
.....	.....

GENERAL INTERROGATORIES (Continued)

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

1.2 If yes, indicate premium earned on U.S. business only:

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

1.5 Indicate total incurred claims on all Medicare Supplement insurance.

1.6 Individual policies - Most current three years:

1.61 Total premium earned

1.62 Total incurred claims

1.63 Number of covered lives

All years prior to most current three years:

1.64 Total premium earned

1.65 Total incurred claims

1.66 Number of covered lives

1.7 Group policies - Most current three years:

1.71 Total premium earned

1.72 Total incurred claims

1.73 Number of covered lives

All years prior to most current three years:

1.74 Total premium earned

1.75 Total incurred claims

1.76 Number of covered lives

Yes[ ] No[X]

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

2. Health Test

		1	2
		Current Year	Prior Year
2.1	Premium Numerator .....	176,195,343	128,668,068
2.2	Premium Denominator .....	176,195,343	128,668,068
2.3	Premium Ratio (2.1 / 2.2) .....	1.000	1.000
2.4	Reserve Numerator .....	18,606,067	12,671,643
2.5	Reserve Denominator .....	18,606,068	13,316,937
2.6	Reserve Ratio (2.4 / 2.5) .....	1.000	0.952

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

4.2 If not previously filed furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

5.1 Does the reporting entity have stop-loss reinsurance?

5.2 If no, explain:

5.3 Maximum retained risk (see instructions):

5.31 Comprehensive Medical

5.32 Medical Only

5.33 Medicare Supplement

5.34 Dental

5.35 Other Limited Benefit Plan

5.36 Other

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

Midwest Health Plan has agreements with its Primary Care providers to continue services until enrollee is re-assigned by Medicaid.

7.1 Does the reporting entity set up its claim liability for provider services on a service date base?

7.2 If no, give details:

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year

8.2 Number of providers at end of reporting year

9.1 Does the reporting entity have business subject to premium rate guarantees?

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months

9.22 Business with rate guarantees over 36 months

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

10.2 If yes:

10.21 Maximum amount payable bonuses

10.22 Amount actually paid for year bonuses

10.23 Maximum amount payable withholds

10.24 Amount actually paid for year withholds

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

11.13 An Individual Practice Association (IPA), or,

11.14 A Mixed Model (combination of above)?

11.2 Is the reporting entity subject to Minimum Net Worth Requirements?

11.3 If yes, show the name of the state requiring such net worth.

Michigan

11.4 If yes, show the amount required.

11.5 Is this amount included as part of a contingency reserve in stockholder's equity?

11.6 If the amount is calculated, show the calculation.

Yes[ ] No[X]

Yes[X] No[ ]

Yes[X] No[ ]

Yes[X] No[X]

Yes[X] No[ ]

Yes[X] No[ ]

\$ ..... 208,000

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

\$ ..... 0

757

875

Yes[ ] No[X]

..... 0

..... 0

Yes[X] No[ ]

\$ ..... 1,756,938

\$ ..... 1,536,984

\$ ..... 1,976,726

\$ ..... 299,415

Yes[ ] No[X]

Yes[ ] No[X]

Yes[X] No[ ]

Yes[X] No[ ]

\$ ..... 10,678,974

Yes[ ] No[X]

1
Name of Service Area
Livingston, Macomb, Oakland, St. Claire, Washtenaw, Wayne .....
Counties .....

FIVE-YEAR HISTORICAL DATA

	1 2007	2 2006	3 2005	4 2004	5 2003
<b>BALANCE SHEET (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 26) .....	54,545,661	46,259,391	41,530,686	35,242,651	35,459,006
2. Total liabilities (Page 3, Line 22) .....	20,688,735	16,890,803	17,950,501	17,292,982	21,294,594
3. Statutory surplus .....					
4. Total capital and surplus (Page 3, Line 31) .....	33,856,926	29,368,588	23,580,185	17,949,669	14,164,412
<b>INCOME STATEMENT (Page 4)</b>					
5. Total revenues (Line 8) .....	165,777,219	121,367,001	117,777,219	105,611,667	89,723,987
6. Total medical and hospital expenses (Line 18) .....	148,845,887	103,365,624	101,412,159	88,014,925	74,397,752
7. Claims adjustment expenses (Line 20) .....	2,848,723	2,530,102	2,438,338	2,465,774	1,981,333
8. Total administrative expenses (Line 21) .....	9,891,187	8,609,259	8,026,450	8,151,436	7,297,163
9. Net underwriting gain (loss) (Line 24) .....	4,191,422	6,862,016	5,900,272	6,979,533	6,047,739
10. Net investment gain (loss) (Line 27) .....	2,610,558	2,204,203	1,242,035	451,215	302,240
11. Total other income (Lines 28 plus 29) .....			1,498,459		
12. Net income or (loss) (Line 32) .....	4,372,980	6,009,219	5,704,094	4,890,748	4,219,979
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11) .....	9,064,554	5,722,391	3,623,353	2,658,138	8,748,455
<b>RISK-BASED CAPITAL ANALYSIS</b>					
14. Total adjusted capital .....	33,856,926	29,368,589	23,580,185	17,949,669	14,164,412
15. Authorized control level risk-based capital .....	5,339,487	4,170,437	4,103,705	3,508,214	3,092,669
<b>ENROLLMENT (Exhibit 1)</b>					
16. Total members at end of period (Column 5, Line 7) .....	64,487	59,381	55,700	55,065	48,729
17. Total members months (Column 6, Line 7) .....	763,807	687,543	671,912	628,478	540,063
<b>OPERATING PERCENTAGE (Page 4)</b>					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19) .....	84.5	80.3	81.2	78.9	79.9
20. Cost containment expenses .....					X X X
21. Other claims adjustment expenses .....	1.6	2.0	2.0	2.2	1.7
22. Total underwriting deductions (Line 23) .....	91.7	89.0	89.6	88.4	89.9
23. Total underwriting gain (loss) (Line 24) .....	2	5	5	6	6
<b>UNPAID CLAIMS ANALYSIS</b>					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Column 5) .....	10,713,378	11,410,679	11,728,237	13,116,147	13,582,609
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)] .....	12,671,643	14,874,949	16,564,330	19,374,188	16,017,430
<b>INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES</b>					
26. Affiliated bonds (Sch. D Summary, Line 25, Column 1) .....					
27. Affiliated preferred stocks (Sch. D Summary, Line 39, Column 1) .....					
28. Affiliated common stocks (Sch. D Summary, Line 53, Column 1) .....					
29. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Column 5, Line 7) .....					
30. Affiliated mortgage loans on real estate .....					
31. All other affiliated .....					
32. Total of above Lines 26 to 31 .....					

SCHEDULE D - SUMMARY BY COUNTRY  
Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description			1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1.	United States .....	1,019,995	1,019,995	1,021,994	1,010,000
	2.	Canada .....				
	3.	Other Countries .....				
	4.	Totals .....	1,019,995	1,019,995	1,021,994	1,010,000
States, Territories and Possessions (Direct and Guaranteed)	5.	United States .....				
	6.	Canada .....				
	7.	Other Countries .....				
	8.	Totals .....				
Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)	9.	United States .....				
	10.	Canada .....				
	11.	Other Countries .....				
	12.	Totals .....				
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13.	United States .....				
	14.	Canada .....				
	15.	Other Countries .....				
	16.	Totals .....				
Public Utilities (unaffiliated)	17.	United States .....				
	18.	Canada .....				
	19.	Other Countries .....				
	20.	Totals .....				
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21.	United States .....				
	22.	Canada .....				
	23.	Other Countries .....				
	24.	Totals .....				
Parent, Subsidiaries and Affiliates	25.	Totals .....				
	26.	Total Bonds .....	1,019,995	1,019,995	1,021,994	1,010,000
PREFERRED STOCKS Public Utilities (unaffiliated)	27.	United States .....				
	28.	Canada .....				
	29.	Other Countries .....				
	30.	Totals .....				
Banks, Trust and Insurance Companies (unaffiliated)	31.	United States .....				
	32.	Canada .....				
	33.	Other Countries .....				
	34.	Totals .....				
Industrial and Miscellaneous (unaffiliated)	35.	United States .....				
	36.	Canada .....				
	37.	Other Countries .....				
	38.	Totals .....				
Parent, Subsidiaries and Affiliates	39.	Totals .....				
	40.	Total Preferred Stocks .....				
COMMON STOCKS Public Utilities (unaffiliated)	41.	United States .....				
	42.	Canada .....				
	43.	Other Countries .....				
	44.	Totals .....				
Banks, Trust and Insurance Companies (unaffiliated)	45.	United States .....				
	46.	Canada .....				
	47.	Other Countries .....				
	48.	Totals .....				
Industrial and Miscellaneous (unaffiliated)	49.	United States .....				
	50.	Canada .....				
	51.	Other Countries .....				
	52.	Totals .....				
Parent, Subsidiaries and Affiliates	53.	Totals .....				
	54.	Total Common Stocks .....				
	55.	Total Stocks .....				
	56.	Total Bonds and Stocks .....	1,019,995	1,019,995	1,021,994	

SCHEDULE D - Verification Between Years  
Bonds and Stocks

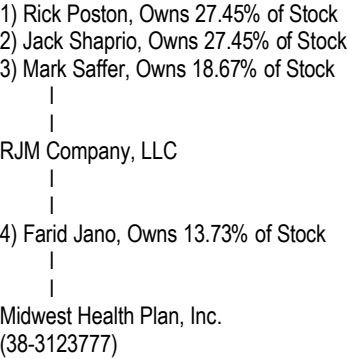
1. Book/adjusted carrying value of bonds and stocks, prior year .....	1,005,792	7. Amortization of premium .....	1,999
2. Cost of bonds and stocks acquired, Column 7, Part 3 .....	1,021,994	8. Foreign Exchange Adjustment:	
3. Accrual of discount .....	4,208	8.1 Column 15, Part 1 .....	
4. Increase (decrease) by adjustment:		8.2 Column 19, Part 2, Section 1 .....	
4.1 Columns 12 - 14, Part 1 .....		8.3 Column 16, Part 2, Section 2 .....	
4.2 Column 15 - 17, Part 2, Section 1 .....		8.4 Column 15, Part 4 .....	
4.3 Column 15, Part 2, Section 2 .....			
4.4 Column 11 - 13, Part 4 .....		9. Book/adjusted carrying value at end of current period .....	1,019,995
5. Total gain (loss), Column 19, Part 4 .....		10. Total valuation allowance .....	
6. Deduct consideration for bonds and stocks disposed of		11. Subtotal (Lines 9 plus 10) .....	1,019,995
Column 7, Part 4 .....	1,010,000	12. Total nonadmitted assets .....	
		13. Statement value of bonds and stocks, current period .....	1,019,995

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS  
ALLOCATED BY STATES AND TERRITORIES

		1  Is Insurer Licensed (Yes or No)	Direct Business Only						
			2  Accident & Health Premiums	3  Medicare Title XVIII	4  Medicaid Title XIX	5  Federal Employees Health Benefits Program Premiums	6  Life & Annuity Premiums & Other Considerations	7  Property/ Casualty Premiums	8  Total Columns 2 Through 7
State, Etc.									
1.	Alabama (AL) .....	No							
2.	Alaska (AK) .....	No							
3.	Arizona (AZ) .....	No							
4.	Arkansas (AR) .....	No							
5.	California (CA) .....	No							
6.	Colorado (CO) .....	No							
7.	Connecticut (CT) .....	No							
8.	Delaware (DE) .....	No							
9.	District of Columbia (DC) .....	No							
10.	Florida (FL) .....	No							
11.	Georgia (GA) .....	No							
12.	Hawaii (HI) .....	No							
13.	Idaho (ID) .....	No							
14.	Illinois (IL) .....	No							
15.	Indiana (IN) .....	No							
16.	Iowa (IA) .....	No							
17.	Kansas (KS) .....	No							
18.	Kentucky (KY) .....	No							
19.	Louisiana (LA) .....	No							
20.	Maine (ME) .....	No							
21.	Maryland (MD) .....	No							
22.	Massachusetts (MA) .....	No							
23.	Michigan (MI) .....	Yes	2,391,058	174,298,948				176,690,005	
24.	Minnesota (MN) .....	No							
25.	Mississippi (MS) .....	No							
26.	Missouri (MO) .....	No							
27.	Montana (MT) .....	No							
28.	Nebraska (NE) .....	No							
29.	Nevada (NV) .....	No							
30.	New Hampshire (NH) .....	No							
31.	New Jersey (NJ) .....	No							
32.	New Mexico (NM) .....	No							
33.	New York (NY) .....	No							
34.	North Carolina (NC) .....	No							
35.	North Dakota (ND) .....	No							
36.	Ohio (OH) .....	No							
37.	Oklahoma (OK) .....	No							
38.	Oregon (OR) .....	No							
39.	Pennsylvania (PA) .....	No							
40.	Rhode Island (RI) .....	No							
41.	South Carolina (SC) .....	No							
42.	South Dakota (SD) .....	No							
43.	Tennessee (TN) .....	No							
44.	Texas (TX) .....	No							
45.	Utah (UT) .....	No							
46.	Vermont (VT) .....	No							
47.	Virginia (VA) .....	No							
48.	Washington (WA) .....	No							
49.	West Virginia (WV) .....	No							
50.	Wisconsin (WI) .....	No							
51.	Wyoming (WY) .....	No							
52.	American Samoa (AS) .....	No							
53.	Guam (GU) .....	No							
54.	Puerto Rico (PR) .....	No							
55.	U.S. Virgin Islands (VI) .....	No							
56.	Northern Marianas Islands (MP) .....	No							
57.	Canada (CN) .....	No							
58.	Aggregate other alien (OT) .....	X X X							
59.	Subtotal .....	X X X	2,391,058	174,298,948				176,690,005	
60.	Reporting entity contributions for Employee Benefit Plans .....	X X X							
61.	TOTAL (Direct Business) .....	(a) 1	2,391,058	174,298,948				176,690,005	
DETAILS OF WRITE-INS									
5801.	.....	X X X							
5802.	.....	X X X							
5803.	.....	X X X							
5898.	Summary of remaining write-ins for Line 58 from overflow page .....	X X X							
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above) .....	X X X							

(a) Insert the number of yes responses except for Canada and Other Alien.  
Explanation of basis of allocation of premiums by states, etc.:

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER  
MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART



Related Parties:

52

Midwest Health Center, PC	Brookside Health Center, PC	SPS Woodbridge, LLC	Midwest-Woodbridge Health Center, PC	Midwest-Metro Health Health Center, PC	Midwest Health Center of Livonia, PC	Rick A. Poston, DO, PC	Carpenter Medical Associates, PC
(38-2342286) (Affiliate)	(38-3079378) (Affiliate)	(38-3443779)	(38-3264451) (Affiliate)	(38-3213872) (Affiliate)	(38-3601410) (Affiliate)	(38-2243830)	(38-2576638)
Midwest Health AKM, Inc. (20-0262421) Subsidiary of Midwest Health Center, PC							

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